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LEASED VEHICLE GROSS RECEIPTS TAX ACT
SECTION 7-14A-1 through 7-14A-11 NMSA 1978

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7-14A-1. SHORT TITLE.--Chapter 7, Article 14A NMSA 1978 may be cited as the "Leased Vehicle Gross Receipts Tax Act".
(Laws 1993, Chapter 30, Section 20)

7-14A-2. DEFINITIONS.--As used in the Leased Vehicle Gross Receipts Tax Act [Chapter 7, Article 14A NMSA 1978]:

A. "department" means the taxation and revenue department, the secretary of taxation and revenue or any employee of the department exercising authority lawfully delegated to that employee by the secretary;

B. "engaging in business" means carrying on or causing to be carried on the leasing of vehicles with the purpose of direct or indirect benefit;

C. "gross receipts" means the total amount of money or the value of other consideration received from leasing vehicles used in New Mexico, but excludes cash discounts allowed and taken, leased vehicle gross receipts tax payable on transactions for the reporting period, gross receipts tax payable pursuant to the Gross Receipts and Compensating Tax Act on transactions for the reporting period and taxes imposed pursuant to the provisions of any local option gross receipts tax, as that term is defined in the Tax Administration Act, that is payable on transactions for the reporting period and any type of time-price differential. Also excluded from "gross receipts" are any gross receipts or sales taxes imposed by an Indian nation, tribe or pueblo, provided that the tax is approved, if approval is required by federal law or regulation, by the secretary of the interior of the United States, and provided further that the gross receipts or sales tax imposed by the Indian nation, tribe or pueblo provides a reciprocal exclusion for gross receipts, sales or gross receipts-based excise taxes imposed by the state or its political subdivisions. In an exchange in which the money or other consideration received does not represent the value of the lease of the vehicle, "gross receipts" means the reasonable value of the lease of the vehicle. When the leasing of vehicles is made under a leasing contract, the seller or lessor may elect to treat all receipts under those contracts as gross receipts as and when the payments are actually received. "Gross receipts" also includes amounts paid by members of any cooperative association or similar organization for the lease of vehicles by that organization;

D. "leasing" means any arrangement whereby, for a consideration, a vehicle without a driver furnished by the lessor or owner is employed for or by any person other than the owner of the vehicle for a period of not more than six months;

E. "person" means any individual, estate, trust, receiver, cooperative association, club, corporation, company, firm, partnership, joint venture, syndicate or other entity; and

F. "vehicle" means a passenger automobile designed to accommodate six or fewer adult [adult] human beings that is part of a fleet of five or more passenger automobiles owned by the same person.

(Laws 1995, Chapter 70, Section 17)

7-14A-3. IMPOSITION AND RATE OF TAX; DENOMINATION AS "LEASED VEHICLE GROSS RECEIPT TAX".--

A. For the privilege of engaging in business, an excise tax equal to five percent of gross receipts is imposed on any person engaging in business in New Mexico.

B. The tax imposed by this section shall be referred to as the "leased vehicle gross receipts tax".

(Laws 1991, Chapter 197, Section 7)

7-14A-3.1. IMPOSITION AND RATE; LEASED VEHICLE SURCHARGE.--

A. Except as provided in Subsection B of this section, there is imposed a surcharge on the leasing of a vehicle to another person by a person engaging in business in New Mexico if the lease is subject to the leased vehicle gross receipts tax. The amount of this surcharge is two dollars (\$2.00) for each day the vehicle is leased by the person. The surcharge may be referred to as the "leased vehicle surcharge".

B. The leased vehicle surcharge imposed in Subsection A of this section shall not apply to the lease of a temporary replacement vehicle if the lessee signs a statement that the temporary replacement vehicle is to be used as a replacement for another vehicle that is being repaired, serviced or replaced. For the purposes of this section, "temporary replacement vehicle" means a vehicle that is:

(1) used by an individual in place of another vehicle that is unavailable for use by the individual due to loss, damage, mechanical breakdown or need for servicing; and

(2) leased temporarily by or on behalf of the individual or loaned temporarily to the individual by a vehicle repair facility or dealer while the other vehicle is being repaired, serviced or replaced.

(Laws 2007, Chapter 172, Section 22)

7-14A-4. PRESUMPTION OF TAXABILITY-To prevent evasion of the leased vehicle gross receipts tax and the leased vehicle surcharge and to aid in their administration, it is presumed that all receipts of a person engaging in business are subject to the leased vehicle gross receipts tax and that all vehicles leased by that person are subject to the leased vehicle surcharge.

(Laws 1991, Chapter 197, Section 8; 1993, Chapter 359, Section 2)

7-14A-5. SEPARATELY STATING THE LEASED VEHICLE GROSS RECEIPTS TAX.--When the leased vehicle gross receipts tax is stated separately on the books of the lessor and if the total amount of tax that is stated separately on transactions reportable within one reporting period is in excess of the amount of leased vehicle gross receipts tax otherwise payable on the transactions on which the tax was separately stated, the excess amount of tax stated on the transactions within that reporting period shall be included in gross receipts.

(Laws 1991, Chapter 197, Section 9)

7-14A-6. DATE PAYMENT DUE.-- The tax and the surcharge imposed by the Leased Vehicle Gross Receipts Tax Act [Chapter 7, Article 14A NMSA 1978] are to be paid on or before the twenty-fifth day of the month following the month in which the taxable event occurs.

(Laws 1993, Chapter 359, Section 3)

7-14A-7. DEDUCTION; TRANSACTIONS IN INTERSTATE COMMERCE.-- Receipts from transactions in interstate commerce may be deducted from gross receipts to the extent that the imposition of the leased vehicle gross receipts tax would be unlawful under the United States constitution.

(Laws 1991, Chapter 197, Section 11)

7-14A-8. DEDUCTION; TRADE-IN ALLOWANCE.-- Receipts represented by allowances granted for vehicle trade-ins may be deducted from gross receipts.

(Laws 1991, Chapter 197, Section 12)

7-14A-9. EXEMPTION; VEHICLES TITLED BEFORE July 1, 1991.--The receipts from the leasing by the owner of vehicles that were acquired by the owner prior to July 1, 1991 and with respect to which the excise tax pursuant to Section 7-14-3 NMSA 1978 was paid and a certificate of title issued prior to July 1, 1991 are exempt from the tax imposed by Section 7 [7-14A-3 NMSA 1978] of this act.
(Laws 1991, Chapter 197, Section 13)

7-14A-10. DISTRIBUTION OF PROCEEDS.-- At the end of each month, the net receipts attributable to the leased vehicle gross receipts tax and any associated penalties and interest shall be distributed as follows:
 A. one-fourth to the local governments road fund; and
 B. three-fourths to the highway infrastructure fund.
(Laws 1999 - 1st S.S., Chapter 9, Section 1)

7-14A-11. ADMINISTRATION.--
 A. The department shall interpret the provisions of the Leased Vehicle Gross Receipts Tax Act.
 B. The department shall administer and enforce the collection of the leased vehicle gross receipts tax and the leased vehicle surcharge, and the Tax Administration Act applies to the administration and enforcement of the tax and the surcharge.
(Laws 1993, Chapter 359, Section 4)
